

Message Text

LIMITED OFFICIAL USE

PAGE 01 BOMBAY 00673 151609Z

42

ACTION OES-05

INFO OCT-01 NEA-10 ISO-00 SS-15 SP-02 L-03 SSO-00 PM-04

EB-07 /047 W

----- 015682

O R 151333Z MAR 76

FM AMCONSUL BOMBAY

TO SECSTATE WASHDC NIACT IMMEDIATE 6247

INFO AMEMBASSY NEW DELHI

LIMITED OFFICIAL USE BOMBAY 0673

STADIS////////////////////////////////////

EO 11652: NA

TAGS: TECH

SUBJ: TARAPUR NUCLEAR FUEL EXPORT LICENSE

REF: STATE 060871

THERE FOLLOWS THE VERBATIM TEXT OF LETTER SENT BY DR H.N.SETHNA IN RESPONSE TO MY LETTER SETTING FORTH DEPARTMENT QUEIRES POSED PARAGRAPHS 2 AND 3 OF REFTTEL. MY COMMENTS ARE TRANSMITTED SEPARATELY. IAEC HAS AGREED THAT THIS MATERIAL MAY BE USED AT PUBLIC HEARINGS WITHOUT RESTRICTION AS TO CLASSIFICATION IF DEPARTMENT SO WISHES. BEGIN TEXT. QUOTE. DEAR MR COURTNEY, THANK YOU FOR YOUR LETTER OF MARCH 14, 7076 FROM WHICH WE NOTE THAT THE STATE DEPARTMENT'S EFFORTS HAVE NOW BEEN STRENGTHENED BY THE LEGAL ASSISTANCE FROM THE DEPARTMENT OF JUSTICE. HOWEVER, WE ARE A LITTLE DISTURBED BY THE EMPHASIS ON THE ARGUMENT OF TIME-LINESS AS DISTINCT FROM THAT ON OUR MUTUAL OBLIGATIONS AND DUTIES UNDER THE AGREEMENT FOR COOPERATION AS WELL AS ON THE ADEQUACY OF EXISTING SAFEGUARDS AND SECURITY ARRANGEMENTS.

2. WE HAVE IN OUR EARLIER RESPONSES REFERRED TO A NUMBER OF UNCERTAINTIES WHICH IMPINGE ON THE TIMING AND EXTENT OF IMPACT WHICH DELAYS IN SHIPMENT OF ENRICHED URANIUM HEXAFLORIDE FROM THE USA CAN HAVE. FOR INSTANCE, THE NUMBER OF LEAKERS WE FIND
LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 BOMBAY 00673 151609Z

DURING JULY 1976 AND JANUARY 1977 REFUELINGS WILL INFLUENCE THE

NUMBER OF BUNDLES NEEDED. ON THE OTHER HAND THE PREVALENCE AND THE EXTENT OF POWER CUTS IN ANDHRA PRADESH WHERE THE FUEL FABRICATION PLANT IS LOCATED MAY UPSET THE REVISED FABRICATION SCHEDULES WHICH ARE BEING WORKED OUT TO ALLOW FOR THE DELAY IN THE DEC 1975 SHIPMENT. AGAIN, THE INADEQUACY OF THE NEXT MONSOON MAY AFFECT THE TIMING OF THE REFUELING OUTAGES. IN VIEW OF SUCH MAJOR UNCERTAINTIES, IT DOES NOT APPEAR REALISTIC TO STIPULATE THE PRECISE IMPACT OF A DELAY IN THE ISSUANCE OF XSNM-805 BEYOND MARCH 17 (BY TWO WEEKS OR ONE MONTH). ASSUMING, HOWEVER, THAT THESE UNCERTAINTIES WILL NOT BE TOO UNFAVOURABLE OR CUMULATIVE, WE EXPECT THAT BY THE RESCHEDULING OF NFC'S PRODUCTION PROGRAMME A DELAY OF 10 WEEKS TO 3 MONTHS MAY NOT AFFECT THE OUTPUT FROM TAPS. I MUST EMPHASIZE, HOWEVER, THAT THESE UNCERTAINTIES ARE QUITE SIGNIFICANT AND IT NEEDS CONSIDERABLE OPTIMISM TO ATTACH A CONFIDENCE LEVEL OF 60 TO 70 PER CENT TO ONE BEING ABLE TO SUSTAIN A DELAY OF UP TO THREE MONTHS.

3. ANOTHER RELEVANT FACTOR IS THAT THE MATERIAL COVERED BY XSNM-805 WILL ENABLE US TO PRODUCE ONLY 30 EXTRA BUNDLES. IT IS TO BE ASSUMED THAT SUCH A DELAY IN THIS LICENSE WILL BE ACCOMPANIED BY A SIMILAR DELAY IN XSNM-845 AGAINST WHICH SHIPMENTS ARE SCHEDULED TO COMMENCE FROM APRIL 1976. THE IMPACT ON TARAPUR OPERATIONS MUST THEREFORE BE PRESUMED TO OCCUR AS A CONSEQUENCE OF BOTH THESE LICENSES BEING DELAYED BY THREE MONTHS OR MORE WHICH WILL ALMOST CERTAINLY AFFECT THE MID-1977 REFUELING. AS INDICATED EARLIER, THE NFC OPERATIONS MAY COME TO A HALT IF XSNM-805 SHIPMENTS DO NOT ARRIVE BY AUGUST 1976. A DELAY OF SIX MONTHS MAY THEREFORE NECESSITATE COMPLETE SHUT DOWN OF THE ENRICHED URANIUM FUEL PLANT AT NFC FOR AT LEAST THREE MONTHS AND POSSIBLY MUCH MORE TO ALLOW FOR RESTARTING TIME AND NON-OPTIMUM PRODUCTION SCHEDULES.

4. AS MENTIONED EARLIER, WE DO NOT ANTICIPATE A CUT IN TARAPUR OUTPUT EARLIER THAN SEP-OCT 1976. IN ALL LIKELIHOOD THERE WILL NOT BE A COMPLETE REACTOR SHUT DOWN AS WE WOULD NORMALLY PREFER TO RUN AT REDUCED OUTPUT FOR LONGER PERIOD. THE QUANTUM OF REDUCTION WOULD DEPEND ON THE PRECISE EXTENT OF THE DALY IN RECEIVING SHIPMENTS AS WELL AS ON THE UNCERTAIN FACTORS MENTIONED EARLIER. ROUGHLY STATED, FOR EACH MONTH OF DELAY BEYOND AUGUST 1976 IN RECEIPT OF SHIPMENTS THE SUBSEQUENT CYCLE OF UNIT 2 MAY LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 03 BOMBAY 00673 151609Z

REQUIRE A 10 PER CENT REDUCTION IN OUTPUT THROUGHOUT THE NEXT CYCLE. IF FOR SOME REASON NOT NECESSARILY ASSOCIATED WITH THE SHIPMENTS (TARAPUR OPERATIONS HAVE TO BE COORDINATED WITH REQUIREMENTS OF THE WESTERN REGIONAL SYSTEM) SUCH A REDUCTION IS MADE EFFECTIVE A FEW MONTHS AFTER THE COMMENCEMENT OF CYCLE, ES QUANTUM OVER THE BALANCE OF CYCLE WOULD BE MUCH HIGHER. I AM AFRAID I CANNOT MAKE THIS ANY SIMPLER AS EVEN THIS EFFORT IS REALLY AN OVERSIMPLIFICATION OF FUEL CYCLE IMPERATIVES,

PARTICULARLY WHEN ONE'S FLEXIBILITY IN THIS REGARD IS HEAVILY CIRCUMSCRIBED BY EXTERNAL FACTORS.

5. I WOULD ALSO LIKE TO EMPHASIZE THAT SUCH HAND-TO-MOUTH PLANNING IS MOST IMPRUDENT FOR A POWER STATION OF SUCH CRITICAL IMPORTANCE IN A LOCATION SO FAR AWAY FROM ITS FUEL SOURCE. WE MUST AIM AT HAVING OUT-OF-CORE INVENTORY OF AT LEAST ONE RELOAD BATCH FOR THE TWO UNITS. ONLY THEN CAN WE HOPE TO HAVE A REASONABLE CUSHION AGAINST MAJOR UNCERTAINTIES TO WHICH DELAYS IN ISSUE OF EXPORT LICENSE HAS BEEN A SAD ADDITION.

6. WE HAVE CONSIDERED THE ALTERNATIVE OF AIR SHIPMENT BUT FIND THAT THIS IS BESET WITH NUMEROUS DIFFICULTIES LIKE OVERFLIGHT CLEARANCES APART FROM PROHIBITIVE COSTS. WE WOULD BE IN A BETTER POSITION TO MAKE CONTINGENCY PLANS IF THE NATURE AND EXTENT OF ASSISTANCE FROM THE NRC OR THE US GOVERNMENT WAS KNOWN.

7. I DO APPRECIATE THE EFFORTS YOU ARE MAKING IN HELPING OR DEAL WITH THIS UNFORTUNATE DEVELOPMENT. PLEASE DO NOT HESITATE TO CONTACT ME OR MR J.C.SHAH AT ANY TIME IRRESPECTIVE OF HOLIDAYS. WITH REGARDS, YOURS SINCERELY, (SIGNED) H.N.SETHNA.

END QUOTE.

END TEXT.

COURTNEY

LIMITED OFFICIAL USE

NNN

Message Attributes

Automatic Decaptioning: Z
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: TEXT, NUCLEAR COOPERATION PROGRAMS, NUCLEAR POWER PLANTS, NUCLEAR FUELS, EXPORT LICENSES
Control Number: n/a
Copy: SINGLE
Draft Date: 15 MAR 1976
Decaption Date: 28 MAY 2004
Decaption Note: 25 YEAR REVIEW
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: saccheem
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1976BOMBAY00673
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: D760097-0222
From: BOMBAY
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1976/newtext/t19760362/aaaaccbw.tel
Line Count: 140
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION OES
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: STADIS
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 3
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: STADIS
Reference: 76 STATE 60871
Review Action: RELEASED, APPROVED
Review Authority: saccheem
Review Comment: n/a
Review Content Flags:
Review Date: 23 JUL 2004
Review Event:
Review Exemptions: n/a
Review History: RELEASED <23 JUL 2004 by ullricre>; APPROVED <04 OCT 2004 by saccheem>
Review Markings:

Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
04 MAY 2006

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: TARAPUR NUCLEAR FUEL EXPORT LICENSE
TAGS: TECH, ENRG, IN, US, (SETHNA, HOMI N)
To: STATE
Type: TE
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 04 MAY 2006